

# E-Commerce Model for Sme

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**Abstract:** *Ecommerce is an electronic trading system that makes it easy for sellers and buyers to trade transactions through the internet. Almost all types of businesses use e-commerce including SMEs because of the many advantages of e-commerce compared to conventional trading. The successful implementation of electronic -commerce in Small Medium Enterprise depends on the components of e-commerce built to support the success of e-commerce, therefore a model that can help SMEs implement e-commerce is needed. The resolve of this research is to design an ecommerce implementation model for SMEs by analyzing the critical factors for successful application of ecommerce in Small Medium Enterprise*

**Keywords:** *E-Commerce, CSF, SLR, SME.*

## I. INTRODUCTION

The global economy is growing and continuing to increase the economic escalation, one of the drivers is small and medium businesses. SMEs exist in almost every country and become one of the pillars of the nation's economy. [1]. e-commerce is a trading system using internet technology that provides many benefits to organizations including SMEs.

E-commerce implementation in SMEs requires special attention so that e-commerce implementation can help SMEs increase sales. The successful implementation of ecommerce in SMEs is greatly influenced by external and internal factors. This research aims to build a model of electronic commerce implementation in SMEs founded on the critical success factor. The research method uses literature review to determine the critical success factor of the UKM ecommerce implementation of several studies published in international journals and international seminars in several countries.

Based on the literature review, a critical success factor for ecommerce implementation in SMEs will be obtained. then, csf will be a component of the development model.

Based on research [2] SMEs that use e-commerce make a major contribution to economic development in several countries. SMEs recognize the importance of e-commerce where e-commerce provides the potential for increased sales.. This study has the expectation to be able decisions determining factors for the positive application of ecommerce for SME.

## II. LITERATURE STUDY

### A. Critical Success Factor

Fitzgerald (1999) and Guynes (1996) explain CSF as the usefulness where object must go setup right to verify effective competitive production for a company. Oakland (1995) relations these part to what a company must realize to realize

its assignment. Kanji (1999) specified that for these issues to be more efficiency for executive areas, which need recurring courtesy to lead to big presentation.

Leidecker (1984)[3] suggest various method for recognize(CSFs). These consist of skimming of environment , arrangement of industry, analysis industrial expert's opinions, analysis of competitors , best practice research, valuation of the company's internal feeling or discernment , and collect data of income influence of market plan.

Scanning of condition. This method to recognize the economy, government and communal break open that confine an organization and effect its production. Organization frequently connection environmental survey method to the warning also chance assessment. The one dilemma close to this method is the struggle of use it addicted to a particular industry

Structure of Industry investigation. This kind of exploration is built on 5 part: fence to entrance, compatible good, distributor, customer and bury-firm rivalry. Asses apiece section and relation among them conduct to meeting substantial statistics that help in recognize the CSF. The method is used only big corporate, which makes its request for single organization improper.

Opinions of Business expert's. This method be contingent on person who take a supreme employed skill of the business. This method rest on extra on personal judgement. Though, the instinctive sense of a business insider often is a perfect foundation of CSFs and, combine with other fair method, give the specialist with loaded information.

Study of Competitors. This method center happening the rivalry situation. It focus on investigation on competitiveness, how corporate participate.

Best exercise study. This method is actual beneficial in businesses influence by unique or a few company. The reasoning behind this method interpret what a corporate does effectively in deciding the Critical Success Factors. Nevertheless this method of slight investigation might restrict contributions.

Internal valuation. This method recognized the Critical Success Factors for a specific organization. The center now is to inspect what the corporate spring plus not so fine. The method once more dismiss the focus of investigation.

Factors of Intuitive. This method be contingent on the instinct also perception of person who are easy by the corporate and principals to diagnosis of prime little run Critical Success Factors that may be confusing in more stately study, but it be contingent on personal mind

### B. Electronic Commerce

Electronic commerce is the divide of corporate information, preserve commerce relation, and manage trade arrangement by telecommunications scheme.

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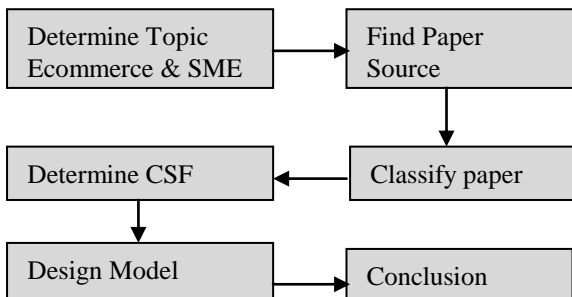
## E-Commerce Model for Sme

Therefore,, E-commerce involve the sell-buy relation and bargain between firm. Electronic commerce is a new a popular name, but the rehearse it suggest arise about a half-century ago. This rehearse became electronic data interchange, the computer-to-computer interchange of homogenized electronic agreement documents. Although what can now be called conventional E-commerce has not been restricted to EDI and has contain business rehearse built around computer-to-computer communication of a difference of news forms., [4]

. Electronic integrating, keep up by EDI and further information technologies, cut the time and room that protect a firm, but that also restrict its rivalrous opportunities. Electronic integrating has led to shifts in the definition of a firm, with the arrival of virtual business whose ability to take their goods to the market are defined mostly by their capability to order and preserve a network of firm relationships, preferably than by their capability to production a goods[4].

### III. METHODOLOGY OF RESEARCH

Study is approved out direct a process in next sequence: opening, deciding the investigate request as declared at the start. The next stage is to define the provenance used to realize response the RQ. The third phase is to direct keywords to discovery the needed evidence come after by removing data. The last is to make an analysis process to respond the RQ.



The first procedure is the find for paper by mention to various sources select the right keywords will construct a group of paper that have a relation with the RQ. Then the keywords used are 'CSF' or critical and success and factor', electronic commerce or ecommerce or commerce and SME or Small Entrepreneur and medium entrepreneur

The following process is to arrange the detection after the discover procedure that has been completed. All paper create founded on keywords are named 'paper found'. after that we view at the relation of the RQ created on the name of the paper establish and then arrange it into nominee paper. The last phase is to recognize nominee paper through the abstracts which resolve later be examine in more element into designated paper.

### IV. RESULT AND DISCUSSION

#### 1. Grouping based on journals and conferences

Source
Journal of Mgt Inf. Systems, 10, 4 (Spring 1994), page 59-83
Proceeding, The AI and B Meetings, , Swedia, 5 March. .2004.
Proc. Conf. on
The Dimension of Elec. Trade, December, Singapore

J. of E Business Research, VOL. 2, NO. 4., 2001.
The Electronic J of Inf. Systems Evaluation, 2005.
Int. J of E- Commerce, Vol.9, No.1, p.31, 2004
IEEE Int. Conf. on Service Operations and Logistics, China, 2005
Proc. the 34th Hawaii Int. Conf. on Scheme Disciplines, 2001.
Proc. SAICSIT 2003.
Proc. the 30th yearly ACM Conf. on User Facilities, USA, 2002
15 Annual Int. conf. Inf. Systems, Vancouver, British Columbia, 1994.
Comm. of the ACM (26:10), October, 1983.
Int. Research: Elec. Networking App. and Policy, Vol.13, No.12003
J of E Trade Research, Vol. 5, No.2, 2004.
Proc. COLLECToR 2004, Australia, 7-8 May, 2004.
J Of Systems & Inf. Technology, No. 7(1), 2004.
J of American Academy of Business, Sep, 2004

#### 2. Paper Organization established on author and country

No	Author	Article
1	S. Pather, G. Erwin, & D. Remenyi	Africa
2	W. Pease, & M. Rowe,	Australia
3	M. Newman,	China
4	E. Gide, & M.X. Wu	China
5	Chung, e. a.	China
6	C. Y. Ling	China
7	Alemayehu Molla	India
8	M. Singh, & J. Byrne	India
9	B.N. Jeon, K.S. Han,	Korea
10	S. Kim, T. Shaw, & H. Schenider	Korea
11	E. Daniel, & A. Myers,	UK
12	Riyad Eid Myfanwy Trueman	UK
13	A. Shirani, M. Aiken, & B. Reithel	UK
14	P. Windrum, & P.D. Berranger	UK
15	Michael Taylor	UK
16	M.J. Epstein	USA
17	Umesh, Minh and Len	USA
18	N.J. Lightner	USA
19	T.M. Somers, & K. Nelson	USA
20	B. Ives, , & J.J. Baroudi	USA
21	M. E. Jennex,	USA
22	J. Lackey, & L. Christy	USA

#### 3. CS Factor E-Commerce base on literature evaluation

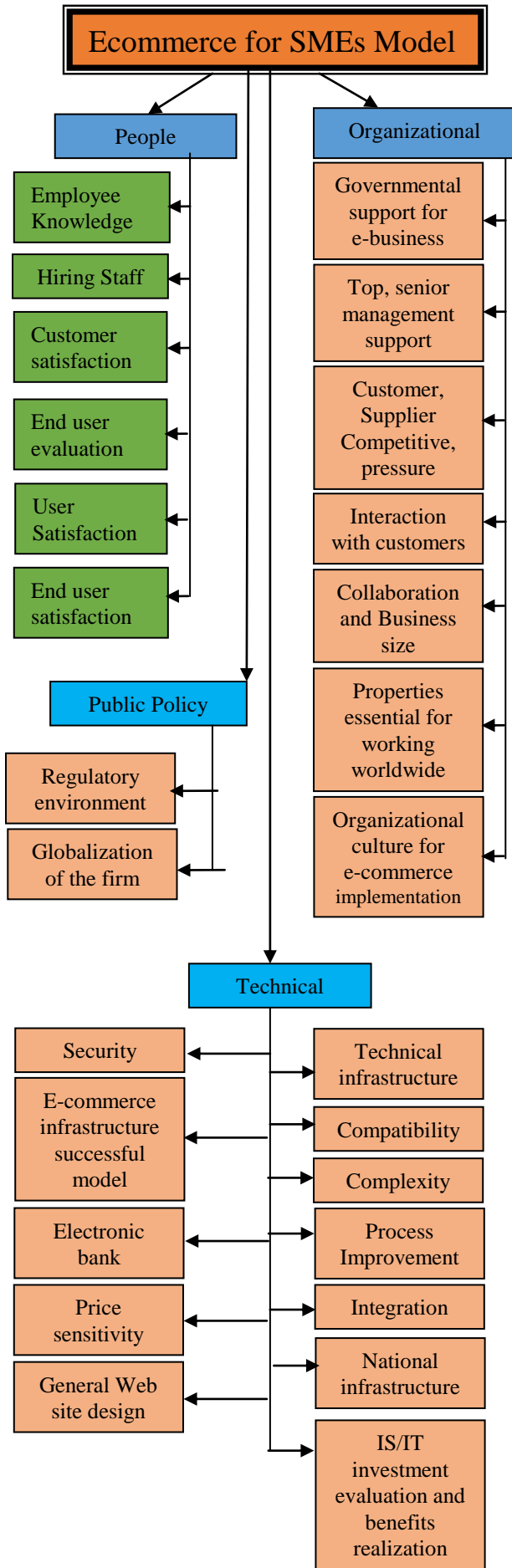
1.	Support of Top management. Several research find support of highest management provision as key element for effective implementation of improvement processes for a corporate. This need private and management intelligent of Internet selling prospective involved in its inside diffusion. Management fidelity to the medium of Internet aid to encourage implementation across the corporate, but this will need monetary support. There is a connection between the investing on the Internet and the income received by a corporate. direction at the management equal plays the greatest important part in applying B2B
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2	<p>Cooperation/collaboration.</p> <p>Cooperation emphasizes explicit partner between the trading group and other stakeholders. That partnership should consist of suitable activity of the assets desirable for the Internet execution. n corporate one prospers when highest organization grow active and just-in-time cooperation perspective .collaboration when they refer to trading relation as the important issue that front on to a business's strive to realize its goals to receive nearer to buyer.</p>
3	<p>Web site design</p> <p>An successful Web site be decide on its design and the initiation of a Web site is not easy power and review the necessity for Websites. global sellers should reach poise among the new way`s capacity to be modify and wish to keep consistency, power, and regularity</p> <p>Contemporary rapidity of technological revolution in Website outline, and grow attractiveness, need worldwide marketers to take up evaluating their Internet website recognized value between goals groups through nation. Websites necessity supply valued, true contented that is constantly preserved if web site to interest new buyers, from numerous nations as fine as vitalize them to reoccurrence. as result, the website necessity make accessible the most current information. The case of Millipore company on how corporate can bring customers to their Websites by present a fine-outline and broad assessment. a fell corporate previously knowledgeable dissatisfaction with outline agencies, which create unorganized Web site with small logic, unlovely colored heritage , and many spelling mistake. However, the organization any development the Web advertisement firm fast, this controlled to distinct global agreement and an accrued total of query from consumers generally. Specialist propose that a Website necessity have explicit and constant evidence. Similar all further marketing broadcasting, customer`s contracts the asses of information they get in halo them in choice creation. The most of online customer approach to Internet for derail material, so corporate that provide more information on their organization and goods are more possible to come off popular use Internet advertising.</p>
4	<p>The power of encourage the Website for two conclude. Opening, an company must differentiate its Website after those of his rival. The Website necessarily to be promoted in a proper means to check high availability. This can be completed in different methods comprise process the site , construct mutual irritated-inheritance to additional sites, and make sure that the website direct is applied in all organization correlation . Next, stimulate a Website contradict from any further publishing advertising. It need skill and practical understanding of how buyer can simply discovery details on Internet.</p>
5	<p>Comprehension foreign marketing environment.</p> <p>Web site plan should send back the environment of country requirements. The political atmosphere in one region might be recognize as a key aspect to an global attainment or failure, the economic equal growth might be the success in additional. Similarly, though an new structure may stand one overseas marketplace more positively forward of additional for one corporate, the presence of a solid rule system might do the identical for another industry. corporate have to research the overseas environments of marketing , contain trade rule and packet distribution options, to evaluate the gains of their private goods or services. corporate who need to apply the Internet to prepare trade globally take to reconsider their working, and</p>

	<p>representations of business if they need to utilize the chance provide by Internet. international marketing include many kind planning and management analysis, contain gathering local goods standards, goal market value and rivalry factors, sell overseas money and expense security, buyer provision and assistance necessities, legal and governing reflection. No one of these mater resolve be simply get from entry to the Internet. Recognize properties as one of the worldwide relation issues which play an major part in assist Business to business execution. the Internet growth the possible market scope, numerous corporates might not have assets essential to distribute through overseas marketplaces. Thus, a corporate must take a long day direct attractive, buyer service reply ability and governing and usage -management face to craft overseas. corporate in the minor case lessons locate that they had to be compose to contract with an absolutely new buyer part when they were accepted on the Internet. the Internet give a level on stage empirical to short and great international actors similar are rather overstate . Absolutely, big companies still like aggressive benefit because of bigger assets and more perceptibility between future buyer overseas. corporate with big properties will be capable to employ the greatest facility and purchase the newest knowledges</p>
6	<p>. Web site with Multilanguage</p> <p>Single of the large topics about worldwide announcement is language. as result , for corporate who need to apply the Internet globally, linguistic dissemination is the dare. Corporate who poverty to apply the Internet for overseas promotion must render their Websites keen on a amount of languages, or at minimum should effort keep down the problems for external user of their languages. a corporate that procedure to converted a overseas e-business actor might necessity to limit its Websites in command to agreement with end consumers in their mother dialect. Certainly, linguistic hurdle have set a float a new Web-concerned with rendition business.</p>

## V. DISCUSSION

The outcomes of the investigation of the collected works above, the E-Commerce model founded on literature evaluation is produced as shown in Figure 2. E-Commerce consists of 4 main parts :people, organizational, technical and public policy



VI. MODEL EVALUATION

1	Part of Model	Advice
	Model build on CSF writing review	There are some discover in the literature analysis that are not contribution in the model. If there is a popular understanding, for example, people should divide more detail
2	Model classify into 4 element: people, technology, public policy and technical	The dividing of model into 3 main elements necessarily to be given an describe reasons for the division so that the arrange has good judge

VII. CONCLUSION

The model is built based on the important factors of successful implementation of e commerce and the main components of e-commerce. Combining the two main parts into a model produces a balanced model between the findings of empirical data from CSF and theoretical data findings.

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